VZCZCXRO8586 OO RUEHBI RUEHLMC DE RUEHLM #0483/01 1411212 ZNY CCCCC ZZH O 201212Z MAY 08 FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC IMMEDIATE 8143 INFO RUEHKA/AMEMBASSY DHAKA PRIORITY 0899 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 7890 RUEHKT/AMEMBASSY KATHMANDU PRIORITY 6065 RUEHLO/AMEMBASSY LONDON PRIORITY 4402 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2038 RUEHNY/AMEMBASSY OSLO PRIORITY 4390 RUEHKO/AMEMBASSY TOKYO PRIORITY 3485 RUEHCG/AMCONSUL CHENNAI PRIORITY 8498 RUEHBI/AMCONSUL MUMBAI PRIORITY 5950 RUEHON/AMCONSUL TORONTO PRIORITY 0656 RUEHGV/USMISSION GENEVA PRIORITY 2778 RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY RUEHBS/USEU BRUSSELS PRIORITY RUEHLMC/MILLENNIUM CHALLENGE CORPORATION PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 COLOMBO 000483

SIPDIS

DEPARTMENT FOR SCA/INS

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TAGS: PREL PGOV PHUM MASS MOPS PTER CE
SUBJECT: SRI LANKA: PRESIDENT NAMES PILLAIYAN CHIEF
MINISTER OF EASTERN PROVINCE

REF: A) COLOMBO 480 B) COLOMBO 465

Classified By: CLASSIFIED BY DCM JAMES R. MOORE. REASONS: 1.4(b,d).

- 11. (C) SUMMARY: President Rajapansu swold in
 "Pillaiyan" as new Chief Minister of the Eastern Province on (C) SUMMARY: President Rajapaksa swore in the TMVP leader May 16. However, it is still unclear whether a block of a few Muslim Provincial Councilors led by M.L.M. Hisbullah will assure Pillaiyan of a majority by supporting him in the inaugural session of the new Provincial Council on May 29. Some observers speculate that Hisbullah is trying to establish a higher price for his cooperation. Post believes that in the end the president and his advisors will be able to bring Hisbullah back on board. In the meantime, one of the nominees for the government's two "bonus seats" has declined to join the Provincial Council, putting himself forward for the Chief Ministership instead. Embassy will be watching carefully to see whether Pillaiyan is able to make the transition to civilian political leader, and whether his group of armed cadres is able to re-invent itself as a political party. We believe that at this point it would be premature either to appear to embrace Pillaiyan - or to shun him. End summary.
- 12. (U) On the evening of May 16, President Rajapaksa swore in Sivanesathurai Chandrakanthan ("Pillaiyan") of the Tamileela Makkal Viduthalai Pulikal (TMVP) as Chief Minister of the Eastern Province, following the apparent victory of the government alliance in the Eastern Provincial Council elections on May 10. It is still not clear, however, whether Pillaiyan will be able to command a majority in the new provincial council, which is to meet for the first time on May 29.
- 13. (SBU) Sri Lanka Muslim Congress (SLMC) dissident leader M.L.M. Hisbullah appears to have taken every possible position on whether he will support Sivanesathurai Chandrakanthan ("Pillaiyan") as Chief Minister. According to several reports from the weekend press, Hisbullah has recruited another one or two Muslim Provincial Councilors to oppose Pillaiyan and support his candidacy for Chief Minister. However, other media accounts state that Hisbullah has had several conversations with President Rajapaksa, Basil

Rajapaksa, and other presidential advisors and is now ready to settle for the post of Health Minister in the new provincial government.

- ¶4. (C) In a conversation with SLMC leader Rauff Hakeem on May 15, Ambassador asked whether there was any substance to reports that the SLMC may support Hisbullah in order to ensure a Muslim Chief Minister in the East. Hakeem responded ambiguously, saying that Hisbullah supporters had not spoken with him. Regarding the reports of 12 Muslim ministers threatening to resign, Hakeem said that these ministers have talked of collective action; yet Hakeem complained that they "left him in the lurch" when he took on the President. Hakeem claimed that the UNP-SLMC's campaign did not make an issue of the CM post because it is an emotional, divisive issue. Ambassador inquired about reports that Hakeem would rejoin Parliament on June 5 through the SLMC national list. He replied that he had made no decision yet.
- 15. (C) The leader of the minor Tamil party TULF, Anandasangaree, told Pol Chief on May 14 that many Tamils had supported Pillaiyan simply because he was one of their community. (Note: this is consistent with what Embassy is hearing from Batticaloa Tamil sources.) Anandasangaree said that the President likely felt compelled to give the Chief Minister post to Pillaiyan, believing that if Pillaiyan were denied the top spot, he might again fall into militancy and unleash a new wave of insecurity.
- 16. (C) Defense correspondent Iqbal Athas (protect) told us COLOMBO 00000483 002 OF 002

that Defense Secretary Gothabaya Rajapaksa had insisted in National Security Council meetings that Pillaiyan become chief minister. According to Athas, Gothabaya felt he needed the support of Pillaiyan's armed cadres in order to prevent the re-infiltration of LTTE operatives in the East. This would leave the army free to pursue the government's offensive in the North.

- 17. (U) The confusion over the majority in the Provincial Council now appears to be affecting the selection of two at-large members (the "bonus seats") for the populous Ampara district. The government had announced that it planned to appoint Priyantha Premakumara, who had contested unsuccessfully for the President's UPFA in Trincomalee and former Batticaloa Government Agent R. Maunguruswamy. However, Maunguruswamy rejected the appointment, saying that he was available to fill the chief minister slot, but would not be willing to take a seat as an ordinary councilor.
- (SBU) The Sri Lankan Constitution's Thirteenth Amendment, which sets up the Provincial Councils, is typically vague on the question of the procedure for selecting the chief minister of a province. It states "The governor shall appoint as Chief Minister the member of the Provincial Council constituted for that Province who, in his opinion, is best able to command the support of a majority of the members of the Council. Provided that where more than one-half of the members elected to a Provincial Council are members of one political party, the Governor shall appoint the leader of that political party in the Council, as Chief Minister."
 (Note: this second clause probably does not apply since the UPFA, under which Pillaiyan campaigned, is an alliance, not a single party. Further, Although Pillaiyan may have been the leading UPFA candidate for Chief Minister, he is clearly not the leader of the UPFA - that role is filled by President Mahinda Rajapaksa.) The Constitution is silent on whether the Chief Minister must be confirmed by a vote in the inaugural meeting of the Provincial Council. It is equally unclear whether a vote of no confidence in the Chief Minister would result in his forfeiting the post.
- 19. (C) COMMENT: No doubt some shortcuts were taken by having the President swear in Pillaiyan as Chief Minister before his majority in the Eastern Provincial Council was assured -

indeed, before the Council had ever met, or before all its members had been named. We remain confident that the government will find a way - using whatever tools are necessary - to persuade Hisbullah to return to the fold. Cynics are saying that Hisbullah is probably simply trying to establish a higher price for his cooperation. This may also explain why Rauff Hakeem, despite his vehement criticism of the May 10 election as not free and fair, is reluctant to be drawn into a bidding war for Hisbullah's loyalty.

110. (C) Comment continued: We are reserving judgment on Pillaiyan's potential to become a good Chief Minister for the Eastern Province. With all due skepticism about his previous track record, it will be necessary to find a way to demobilize and integrate the forces that he represents in the East, particularly in Batticaloa. The election, imperfect as it was, may provide a vehicle for making the transition to a civilian administration with devolved powers and significant popular support. On the other hand, if the new administration continues to employ its familiar tactics, including criminal activities such as kidnapping, intimidation, and extortion, it will probably not be able to bring new stability to the East. BLAKE